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REPRODUCTION COST, NEW, DEPRECIATED, AT ACQUISITION

PAGE 0

Calculations	Estimated Replacement Cost per Mile Today (by System Classification)			
	Large Urban	Suburban	Small Town Urban	Rural
per Mile	\$386	\$321	\$257	\$214
(trunk & feeder):				
t per Mile	\$20,000	\$18,000	\$15,000	\$12,000
ant Cost per Mile	\$0	\$0	\$0	\$0
Cost per Mile	\$2,429	\$2,277	\$2,125	\$1,973
Field Cost per Mile	\$880	\$800	\$750	\$704
le	\$23,885	\$21,398	\$18,132	\$14,882
duction Cost if Built in 1993	\$29,956,900			
d Factor for Acquisition Year	0.9040			
ant Reproduction Cost New at Acquisition	\$27,081,832			
ion	1988			
ction (Based on Current Average Age)	1985			
's Old at Acquisition	1.0			
tor (Age at Acquisition/12)	8.3%			
uction Cost New, Depreciated, at Acquisition:	\$24,825,104			
	\$17,732			

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IF REPRODUCTION COST, NEW, DEPRECIATION

PAGE D1

Calculations

Cost per Mile
Where "F" = "divided by": Total headend costs / total plant miles

Cost (trunk & feeder) per Mile
Where "x" = "multiplied by": Cost per aerial plant mile x aerial plant miles as % of total plant miles
Where "x" = "multiplied by": Cost per underground plant mile x underground plant miles as % of total plant miles

Plant Cost per Mile
Where "x" = "multiplied by," "+" = "plus," & "-" = "less": Cost per drop x (density x penetration) + cost per drop x .75 x (density - (density x penetration))

Cost per Mile
Where "x" = "multiplied by," "F" = "divided by," "+" = "plus," & "-" = "less": If converter switch = n, then 0; otherwise, total subs x (% standard x cost of standards + % addressable x cost of addressables) / total plant miles
Note: "converter switch" refers to response of "N" or "Y" included in System Inputs in answer to question designed to determine whether the system includes converters.

Plant Cost per Mile
If system type = 1, urban cost x total miles, if system type = 2, then suburban x total miles, if system type = 3, then small town urban x total miles, if system type = 4, then rural x total miles, otherwise 0

Trend Factor for Acquisition Year
A lookup formula (@HLOOKUP) is referenced from the Trend Factor for Acquisition Year identified on Page B1. The program refers to the table organized by year (included on Pages B1 and B2), seeks the year which matches the input for the year of acquisition, and then retrieves the required entry for that year from a table containing the data for a number of years.

Trended Total Plant Reproduction Cost New at Acquisition
Where "x" = "multiplied by": Total Plant Reproduction Cost Today x Applicable Trend Factor

Depreciation Factor
From system input data
Where "-" = "less": Current Year - Current Average Age of System Plant (from system input data)
Where "-" = "less": Year of Acquisition - Year of Construction

Depreciation Factor
Where "F" = "divided by": Average Years Old at Acquisition / Depreciation Period of 12 Years

Trended Total Plant Reproduction Cost New, Depreciated, at Acquisition
Where "x" = "multiplied by" and "-" = "less": Trended Total Plant Reproduction Cost New at Acquisition x (1 - Depreciation Factor)

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**COST & DEFERRED OPERATING LOSSES -
UNTIL BREAK-EVEN POINT**

	YEAR 1986	YEAR 1987	YEAR 1988	YEAR 1989	YEAR 1990	YEAR 1991	YEAR 1992	YEAR 1993	YEAR 1994	YEAR 1995
Plant	\$8,511,464	\$8,511,464	\$7,802,176	\$0	\$0	\$0	\$0	\$0	\$0	\$0
Operating Losses	\$179,035	\$980,050	\$2,753,085	\$5,207,413	\$7,364,479	\$8,550,279	\$9,109,153	\$9,437,000	\$9,437,000	\$9,437,000
Deferred Operating Losses	223,793	1,056,055	2,753,085	4,426,301	5,178,135	5,130,187	5,414,140	5,806,000	5,806,000	5,806,000
Operating Losses (until break-even)	(44,759)	(96,005)	0	781,112	2,218,344	3,420,112	3,695,013	3,826,000	3,826,000	3,826,000
Operating Losses (when and if applied to accumulated losses)	-25%	-10%	0%	15%	30%	40%	41%	41%	41%	41%
Operating Losses (when and if applied to accumulated losses)	714,445	1,433,188	0	0	0	0	0	0	0	0
Operating Losses (when and if applied to accumulated losses)	(759,203)	(1,529,173)	0	781,112	2,218,344	3,420,112	3,695,013	3,826,000	3,826,000	3,826,000
Operating Losses (when and if applied to accumulated losses)	0	0	945,718	1,891,437	2,756,345	2,756,345	2,756,345	2,756,345	2,756,345	2,756,345
Operating Losses (when and if applied to accumulated losses)	(759,203)	(1,529,173)	(945,718)	(1,110,325)	(540,001)	961,787	938,898	1,089,655	1,089,655	1,089,655
Deferred Operating Losses:										
Plant and operating losses	44,759	96,005	0	0	0	0	0	0	0	0
Plant and operating losses	714,445	1,433,188	0	0	0	0	0	0	0	0
Operating Losses	759,203	1,529,173	0	0	0	0	0	0	0	0
Deferred Operating Losses	759,203	2,288,377	2,288,377	2,288,377	2,288,377	2,288,377	2,288,377	2,288,377	2,288,377	2,288,377
Deferred Operating Losses (until break-even)	759,203	2,288,377	0	0	0	0	0	0	0	0
Cumulative Deferred Operating Losses:	\$2,288,377									
Cumulative deferred operating losses	0	0	254,264	254,264	254,264	254,264	254,264	254,264	254,264	254,264
Amortization of Deferred Operating Losses	0	0	254,264	508,528	762,792	1,017,056	1,271,320	1,525,584	1,779,848	2,034,113
Operating plant construction & operating losses; included until the first year in which operating losses no longer occur.										
Operating in the first year in which operating income less interest deductions is no longer negative.										
Operating is calculated on a straight-line basis for period represented by the difference between 12 years and the total number of years of negative operating income less interest deductions.										
Operating/(Loss) Calculation:										
Operating of New Plant	8,511,464	8,511,464	7,802,176	0	0	0	0	0	0	0
Operating Losses	44,759	96,005	0	(781,112)	(2,218,344)	(3,420,112)	(3,695,013)	(3,826,000)	(3,826,000)	(3,826,000)
Operating Construction & Operating Losses	8,556,223	8,607,469	7,802,176	(781,112)	(2,218,344)	(3,420,112)	(3,695,013)	(3,826,000)	(3,826,000)	(3,826,000)
Operating Construction & Operating Losses	8,556,223	17,183,892	24,985,868	24,184,756	21,966,413	18,548,301	14,851,288	11,023,288	7,195,288	3,367,288
Operating (when and if applied to accumulated losses)	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%	8.4%

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**COST & DEFERRED OPERATING LOSSES
"UP" (LOSSES TO BREAK EVEN POINT)**

PAGE E1

For all of the following: "x" = "multiplied by," "/" = "divided by," "-" = "less," and "+" = "plus."

Plant

For each year: miles to be added x trended cost per mile trended reproduction cost new, depreciated, at acquisition

For each year: 12 months x average subs for each year x current average revenue per subscriber x revenue trend factor for the particular year under consideration.
Assumes losses in years 1 & 2 (@ 25% and 10% of Revenues, respectively), breakeven in year 3, rising gradually to the level of the current margin (duration of rise to current margin dependent on magnitude of current margin).
For each year: Revenues - Operating Expenses.
For each year: Operating Income / by Revenues.

For each year: if Operating Income is negative, then Cumulative Construction & Operating Losses x Interest Rate; otherwise, 0.

Less Interest

For each year: Operating Income - Interest.

For each year: if Operating Income Less Interest is negative, then 0; otherwise, the amount of depreciation for the year is included (starting with the first year total included in the depreciation schedule shown on Page I).

Less Interest & Depreciation

For each year: Operating Income - Interest & Depreciation.

Deferred Operating Losses:

Construction and operating losses

For each year: if Operating Income is negative, then that amount is restated as a positive number; otherwise, 0.
For each year: restates Interest Included above.

Operating Losses

Sum of the two preceding lines.

Deferred Operating Losses

For each year: accumulation to date of all Total Deferred Operating Losses.

Deferred Operating Losses (until breakeven)

For each year: accumulation to date until year of breakeven of all Total Deferred Operating Losses; upon breakeven, 0.

Cumulative Deferred Operating Losses:

Cumulative deferred operating losses

For each year: if Operating Income Less Interest is negative, then 0; otherwise, Grand Total Cumulative Deferred Operating Losses / assumed depreciation period (as indicated on the depreciation schedule included on Page I).

Amortization of Deferred Operating Losses

For each year: accumulation to date of all Amortization of Deferred Operating Losses

Deferred plant construction & operating losses; including in the first year in which operating income less is calculated on a straight-line basis for period n

Operating/(Loss) Calculation:

Construction of New Plant

Restated from Assumptions.

Restated from above x (-1); positive numbers represent negative Operating Income (i.e., losses) & negative numbers represent positive Operating Income.

Construction & Operating Losses

Sum of the two preceding lines.

Construction & Operating Losses

For each year: accumulation to date of all annual Construction Costs and Operating Losses

When and if applied to accumulated losses)

Assumption indicated on Page B1.

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	1986	1987	1988	1989	1990	1991	1992	1993	1994	1995
Reproduction	8,511,464	17,022,928	24,825,104	24,825,104	24,825,104	24,825,104	24,825,104	24,825,104	24,825,104	24,825,104
ation	0	0	945,718	2,837,155	5,595,500	8,353,845	11,112,190	13,870,534	16,628,879	19,387,224
Relative Reproduced Plant	8,511,464	17,022,928	23,879,386	21,987,950	19,229,605	16,471,260	13,712,915	10,954,570	8,196,225	5,437,880

CALCULATING THE RATE BASE:	
Reduced Plant in Current Year	\$24,825,104
ation in Current Year	13,870,534
Relative Reconstructed Plant in Current Year	\$10,954,570
Current Year	\$2,758,345
Deferred Losses in Current Year	\$2,288,377
ization of Deferred Losses in Current Year	1,325,584
red Losses in Current Year less Cumulative Amo	\$792,792
Current Year	254,264

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Reproduction	For each year: accumulation to date of all Plant Reproduction.
Depreciation	For each year: accumulation to date of all Depreciation.
Relative Reproduced Plant	For each year: Cumulative Plant Construction - Depreciation

CALCULATING THE RATE BASE:

Produced Plant in Current Year
Depreciation in Current Year
Adjusted Reconstructed Plant in Current Year
Current Year
Deferred Losses in Current Year
Amortization of Deferred Losses in Current Year
Adjusted Losses in Current Year less Cumulative Amortization
Current Year

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DATA

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TORS
CER PRICE INDEX & COMMODITY CODE INDEX
3

31-Aug-93

Product Code #1 3663-241
Product Code #2 3662-A41 3663-241 & 3662-A41
Commodity Code #1 1026
Commodity Code #2 117
Combination #1+#2 50% 1026; 50% 117
Computed Index A to Conform with Code #1
Computed Index A & Combo #1+#2

YEAR	INDEX	INDEX	COMPUTED INDEX A	INDEX	INDEX	COMPUTED INDEX B	COMPUTED INDEX C	TREND	BASE YEAR
* use a different category b/cs no cable category exists									
1983	102.70		102.70				102.70	1.0000	1991
1992	102.10		102.10				102.10	0.9842	1991
1991	100.00	107.80	100.00				100.00	0.9737	1985
1990		107.00	99.44				99.44	0.9883	1985
1989		108.30	101.58				101.58	0.9891	1985
1988		107.90	100.28				100.28	0.9764	1985
1987		105.40	97.96			92.08	97.96	0.9538	1985
1986		99.90	92.84				92.84	0.9040	1985
1985		100.00	92.84	203.2	253.4	228.3	92.84	0.9048	1985
1984				203.2	249.1	228.2	92.08	0.8964	N/A *
1983				205.2	238.8	222.0	90.37	0.8800	N/A *
1982		Index conversion:		203.7	231.5	217.8	88.58	0.8625	N/A *
1981		First year:		206.1	219.2	212.7	88.57	0.8429	N/A *
1980		(Index A yr to convert		212.3	201.6	207.0	84.25	0.8203	N/A *
1979		div by						0.8080	N/A **
1978		Index A prev yr \$\$						0.7859	N/A **
1977		mult by						0.7839	N/A **
1976		Index B prev yr \$\$						0.7722	N/A **
1975		Example: (C295/\$c\$294)*\$b\$294						0.7608	N/A **

le indices 1026 and 117 are averaged equally according to perience computing replacement cost for components of various systems and the % cable cost per mile of plant contained in them.
is "estimate" based trend @ 1980 & avg % change in Computed Index 3

1,992	-0.58%
1,991	-2.08%
1,990	-0.58%
1,989	2.15%
1,988	-1.28%
1,987	-2.32%
1,986	-5.22%
1,985	0.10%
1,984	-0.94%
1,983	-1.84%
1,982	-1.88%
1,981	-2.27%
1,980	-2.68%

Average % decrease -1.50%
98.5%

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IND SUBSCRIBER ASSUMPTIONS

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	Penetration Assumptions (Maturity in 3rd Year)	Subs added In Year 1	Subs added In Year 2	Subs added In Year 3	Subs added In Year 4	Subs added In Year 5	Subs added In Year 6	Subs added In Year 7	Subs added In Year 8	Subs added In Year 9	Subs added In Year 10	
ed by Cable in:	10.3%	1,657	1,657	1,519	0	0	0	0	0	0	0	4,833
	30.9%		4,971	4,971	4,557	0	0	0	0	0	0	14,500
	55.5%			8,949	8,949	8,203	0	0	0	0	0	26,100
	61.7%				9,943	9,943	9,114	0	0	0	0	29,000
	61.7%					9,943	9,943	9,114	0	0	0	29,000
	61.7%						9,943	9,943	9,114	0	0	29,000
	61.7%							9,943	9,943	9,114	0	29,000
	61.7%								9,943	9,943	9,114	29,000
	61.7%									9,943	9,943	19,886
	61.7%										9,943	9,943
End of Year (Regardless of Year of Origin)		1,657	5,828	15,438	23,448	28,089	29,000	29,000	29,000	29,000	29,000	

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ASSUMPTIONS

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Module:
12-year Maximum Period

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10
Depreciation Period Assumed * :										
9										
For Plant Added in Year #:										
1	945,718	945,718	945,718	945,718	945,718	945,718	945,718	945,718	945,718	0
2		945,718	945,718	945,718	945,718	945,718	945,718	945,718	945,718	945,718
3			868,908	868,908	868,908	868,908	868,908	868,908	868,908	868,908
4				0	0	0	0	0	0	0
5					0	0	0	0	0	0
6						0	0	0	0	0
7							0	0	0	0
8								0	0	0
9									0	0
10										0
Depreciation Per Year	945,718	1,891,437	2,758,345	2,758,345	2,758,345	2,758,345	2,758,345	2,758,345	2,758,345	1,812,627

to determine whether or not Operating Income Less Interest is 0 or positive. If that occurs in Year 1, the depreciation period is 12. One year is subtracted from the full 12 year - period for each year after Year 1 until Operating Income Less Interest becomes 0 or positive in Year 3, the the depreciation period is: 12 - 3 = 9 years.

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REVENUE FACTORS	1975	1976	1977	1978	1979	1980	1981	1982	1983	1984	PAGE J 1985
	804	933	1,199	1,476	1,874	2,549	3,656	4,984	6,424	7,774	8,938
	9.80	11.00	12.20	13.40	15.00	17.50	21.50	25.40	29.45	32.85	35.50
	6.84	7.07	8.19	9.18	10.41	12.14	14.17	16.35	18.16	19.72	20.96
(1993 = 1.000)	0.2047	0.2116	0.2452	0.2748	0.3117	0.3634	0.4243	0.4896	0.5443	0.5905	0.6282

CABLE TV FINANCIAL DATABOOK, JUNE 1992, Paul Kagan Associates, Inc., Carmel, California.

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REVENUE FACTORS	PAGE J1							
	1986	1987	1988	1989	1990	1991	1992	1993
	10,168	11,759	13,583	15,868	17,855	19,604	21,471	22,873
	38.20	41.20	44.20	47.50	50.52	53.68	55.50	57.07
	22.18	23.78	25.61	27.49	29.45	30.74	32.24	33.40
(1993 = 1.000)	0.6640	0.7121	0.7668	0.8230	0.8818	0.9205	0.9653	1.0000

CABLE TV FINANCIAL DATABOOK, JUNE 1992

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	DES printer	DES printer
	Use if Letter-size	Use if Legal-size
/Q:PCP115OLQQ	:PCP115OLQQ	:PCP115OLQQ
	:PLP1CM52~QQ	:PLP1CM64~QQ
	:PLBCLQQQ	
	:PFCRSPAGE0~G	
	:PFCRSPAGEA~G	
	:PFCRSPAGEB1~G	
	:PLBLBORDERB2~qqq	
	:PFCRSPAGEB2~G	
	:PLBCLQQQ	
	:PFCRSPAGEC~G	
	:PLBLBORDERC1~qqq	
	:PFCRSPAGEC1~G	
	:PLBCLQQQ	
	:PFCRSPAGED~G	
	:PLBLBORDERD1~qqq	
	:PFCRSPAGED1~G	
	:PLBCLQQQ	
	:PFCRSPAGEE~G	
	:PLBLBORDERE1~qqq	
	:PFCRSPAGEE1~G	
	:PLBCLQQQ	
	:PFCRSPAGEF~G	
	:PLBLBORDERF1~qqq	
	:PFCRSPAGEF1~G	
	:PLBCLQQQ	
	:PFCRSPAGEG~G	
	:PFCRSPAGEH~G	
	:PFCRSPAGEI~G	
	:PFCRSPAGEJ~G	
	:PLBLBORDERJ1~qqq	
	:PFCRSPAGEJ1~G	
	:PLBCLQQQ	
	:PFCRSPAGEK~G	

HSHORTB.WK3/Im3

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Franchise Analysis Template—Short Form Use on Franchise, System, or Consolidated Accounting Basis

	From Records	Norm Adj	As Adj	Direct	Alloc Type	Allocated	Basic Tier	Basic Alloc	CPS Tier	CPS Alloc	Equipment	Equip Alloc
	\$5,447,000	\$0	\$5,447,000		A		\$0,600,000		\$0		\$490,000	
	48,900	0	48,900		B		29,000		0		0	
	30	0	30		HA		25		0		0	
							\$22.00		\$0.00		\$0.00	
Accounting							Basic Direct Entry		CPS Direct Entry		Equip Direct	
	\$1,008,000	\$0	\$1,008,000	1,007,004	A	996	\$950,886	996	\$0	99	\$0	99
	870,000	0	870,000	869,726	A	864	0	864	0	0	0	0
	1,185,000	0	1,185,000	1,184,700	A	108,000	727,000	727,000	0	0	255,000	255,000
	236,000	0	236,000	235,900	A	175,000	38,000	38,000	0	0	0	0
	0	0	0	0	B	0	0	0	0	0	0	0
	2,210,000	0	2,210,000	2,209,000	B	750,000	1,030,000	1,030,000	0	0	180,000	180,000
	0	0	0	0	B	0	0	0	0	0	0	0
	0	0	0	0	B	0	0	0	0	0	0	0
	0	0	0	0	B	0	0	0	0	0	0	0
	0	0	0	0	B	0	0	0	0	0	0	0
	0	0	0	0	B	0	0	0	0	0	0	0
	100,000	(100,000)	0	0	B	0	0	0	0	0	0	0
Sub Total	\$5,936,000	\$(100,000)	\$5,836,000	\$5,835,110	B	\$1,035,170	\$2,745,786	\$2,745,180	\$0	99	\$435,000	\$435,000
Norm Adj	204,204		204,204	204,204	A	204,204	0	204,204	0	0	0	0
	2,625,012		2,625,012	2,624,188	A	1,098,844	1,700,000	1,700,144	0	0	138,168	138,168
	0		0	0	A	0	0	0	0	0	0	0
	\$8,765,212	\$(100,000)	\$8,665,212	\$8,664,302		\$2,360,478	\$4,445,986	\$4,445,324	\$0	99	\$573,168	\$573,168
From Records	From Records	Norm Adj	As Adj	Direct	Alloc Type	Allocated	Basic Tier	Basic Alloc	CPS Tier	CPS Alloc	Equipment	Equip Alloc

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Addmt. Allocation	Installation	Install Alloc	PPV/PPC	PPV Alloc	Other 1	O 1 Alloc	Other 2	O 2 Alloc	Other 3	O 3 Alloc	Other 4	O 4 Alloc	Pay Services	Pay Alloc
	\$135,000		\$10,000		\$150,000		\$32,000		\$0		\$25,000		\$1,450,000	
	0		0		2,300		0		0		0		17,500	
	0		0		0		0		0		0		5	
	\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$0.00		\$7.18	
	Install Direct		PPV Direct		Other 1 Direct		Other 2 Direct		Other 3 Direct		Other 4 Direct		Pay Direct Entry	
800	\$0		\$0		\$56,208		\$0		\$0		\$0		\$0	
24	0		5,000		0		0		0		0		864,336	
\$1,700	100,000		0		0		0		0		0		0	
\$2,000	0		0		0		0		0		0		23,000	
0	0		0		0		0		0		0		0	
0	70,000		0		45,000		0		0		0		0	
0	0		0		0		0		0		0		0	
0	0		0		0		0		0		0		0	
0	0		0		0		0		0		0		0	
0	0		0		0		0		0		0		0	
0	0		0		0		0		0		0		0	
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\$1,000	\$170,000		\$0,000		\$101,208		\$0,000		\$0		\$0		\$85,336	
\$2,000														
\$4,700														
0														
\$44,000	\$170,000	\$62,500	\$0,000	\$1,717	\$101,208	\$41,200	\$0	\$5,000	\$0	\$0	\$0	\$4,000	\$85,336	\$441,336
Addmt. Allocation	Installation	Install Alloc	PPV/PPC	PPV Alloc	Other 1	O 1 Alloc	Other 2	O 2 Alloc	Other 3	O 3 Alloc	Other 4	O 4 Alloc	Pay Services	Pay Alloc

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Requirement - Basic WorkSpace	
% Based on Revenue	72.06%
on	
	\$9,094,459
	216,170
	432,341
Operating Costs	548,844
Deferred Inc Taxes	0
osits	0
otal Rate Base	\$10,292,814
Base	\$1,463,456
urn of Equity	327,545
nses	\$3,398,975
tion	2,483,145
ation	18,014
ation	183,215
SubTotal	\$7,874,350
es & Bad Debts %	83,441
Revenue Required	\$7,957,791
nuce	\$6,800,000
	\$1,157,791
Month	\$3.33

Revenue Requirement - CPS WorkSpace	
Rate Base Allocation % Based on Revenue	0.00%
Rate Base Computation	
Net Plant	\$0
Net CPUC	0
Inventory	0
Deferred Start-up & Operating Costs	0
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$0
Rate of Return	
Return on Total Rate Base	\$0
Income Taxes on Return of Equity	0
Plus: Operating Expenses	\$0
Plus: Plant Depreciation	0
Plus: CPUC Depreciation	0
Plus: DSOC Amortization	0
SubTotal	\$0
Revenue Related Taxes & Bad Debts %	0
Total Revenue Required	\$0
Current CPS Revenue	\$0
Over/Under	\$0

Revenue Requirement - Equipment WorkSpace	
Rate Base Allocation % Based on Revenue	5.18%
Rate Base Computation	
Net Plant	\$655,336
Net CPUC	15,577
Inventory	31,154
Deferred Start-up & Operating Costs	38,807
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$741,874
Rate of Return	
Return on Total Rate Base	\$105,455
Income Taxes on Return of Equity	23,803
Plus: Operating Expenses	\$448,518
Plus: Plant Depreciation	184,800
Plus: CPUC Depreciation	1,298
Plus: DSOC Amortization	13,202
SubTotal	\$787,874
Revenue Related Taxes & Bad Debts %	8,347
Total Revenue Required	\$796,021
Current Equipment Revenue	\$490,000
Over/Under	\$306,021

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Revenue Requirement - Installation WorkSpace	
% Based on Revenue	3.86%
on	\$481,410
	10,897
	21,835
Operating Costs	27,886
Deferred Inc Taxes	0
osits	0
Total Rate Base	\$522,198
Base	\$74,248
urn of Equity	16,618
nses	\$135,221
tion	38,733
ation	914
ation	9,286
SubTotal	\$276,030
es & Bad Debts %	2,825
Revenue Required	\$278,855
Outlet Fees	\$345,000
	(\$66,045)

Revenue Requirement - Installation WorkSpace	
Rate Base Allocation % Based on Revenue	1.43%
Rate Base Computation	
Net Plant	\$180,552
Net CPUC	0
Inventory	8,583
Deferred Start-up & Operating Costs	10,912
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$200,047
Rate of Return	
Return on Total Rate Base	\$28,444
Income Taxes on Return of Equity	8,366
Plus: Operating Expenses	\$173,869
Plus: Plant Depreciation	15,546
Plus: CPUC Depreciation	356
Plus: DBOC Amortization	3,637
SubTotal	\$228,352
Revenue Related Taxes & Bad Debts %	2,420
Total Revenue Required	\$230,772
Current Installation Revenue	\$135,000
Over/Under	\$85,772

Revenue Requirement - Other 1 WorkSpace	
Rate Base Allocation % Based on Revenue	1.58%
Rate Base Computation	
Net Plant	\$200,613
Net CPUC	4,788
Inventory	9,537
Deferred Start-up & Operating Costs	12,124
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$227,043
Rate of Return	
Return on Total Rate Base	\$32,282
Income Taxes on Return of Equity	7,225
Plus: Operating Expenses	\$141,471
Plus: Plant Depreciation	17,275
Plus: CPUC Depreciation	397
Plus: DBOC Amortization	4,041
SubTotal	\$202,693
Revenue Related Taxes & Bad Debts %	2,148
Total Revenue Required	\$204,841
Current Other 1	\$150,000
Over/Under	\$54,841

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Requirement - Other 2 WorkSpace	
% Based on Revenue	0.34%
on	
	\$42,797
	1,017
	2,035
Operating Costs	2,587
Deferred Inc Taxes	0
osits	0
otal Rate Base	\$48,438
Base	\$6,887
urn of Equity	1,541
nses	\$848
tion	3,685
ation	85
ation	882
SubTotal	\$14,008
es & Bad Debts %	148
Revenue Required	\$14,157
	\$32,000
	(\$17,843)

Revenue Requirement - Other 3 WorkSpace	
Rate Base Allocation % Based on Revenue	0.00%
Rate Base Computation	
Net Plant	\$0
Net CPUC	0
Inventory	0
Deferred Start-up & Operating Costs	0
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$0
Rate of Return	
Return on Total Rate Base	\$0
Income Taxes on Return of Equity	0
Plus: Operating Expenses	\$0
Plus: Plant Depreciation	0
Plus: CPUC Depreciation	0
Plus: DSOC Amortization	0
SubTotal	\$0
Revenue Related Taxes & Bad Debts %	0
Total Revenue Required	\$0
Current Other 3	\$0
Over/Under	\$0

Revenue Requirement - Other 4 WorkSpace	
Rate Base Allocation % Based on Revenue	0.26%
Rate Base Computation	
Net Plant	\$33,438
Net CPUC	795
Inventory	1,589
Deferred Start-up & Operating Costs	2,021
Less: Accumulated Deferred Inc Taxes	0
Less: Customer Deposits	0
Total Rate Base	\$37,840
Rate of Return	
Return on Total Rate Base	\$5,380
Income Taxes on Return of Equity	1,204
Plus: Operating Expenses	\$741
Plus: Plant Depreciation	2,579
Plus: CPUC Depreciation	68
Plus: DSOC Amortization	674
SubTotal	\$10,944
Revenue Related Taxes & Bad Debts %	118
Total Revenue Required	\$11,080
Current Other 4	\$25,000
Over/Under	(\$13,840)

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Franchise Analysis Template—Short Form Use on Franchise, System, or Consolidated Accounting Basis

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		Accumulated Deferred Taxes		Average Age of Plant & Equip (Today)	
		Customer Deposits		Average Year of Acquisition	
		Current Inventory		Total Homes Passed	
		Current Acquired Plant Value		Total Subscribers	
		Current Deferred Start-up/Opening Costs Amount		Number of Active Channels	
				Annual Revenue	
				Annual Operating Expenses	
				Converters in Use ? Yes=1 No=0	
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				System Owned Addressable Units	

Actuals	Adjs	Annual cost %	Notes
\$12,921,115		8.00%	
7,452,595		25.00%	
\$12,921,115	\$0	\$12,921,115	1.00%

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COST & DEFERRED OPERATING LOSSES -
ASSUMPTIONS

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30%
20%

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